

Montana Department of
Public Health & Human Services

Section:
Serving the Family

CHILD CARE

Subject:
Auditing & Investigations

Supersedes: **Child Care 6-8 (05/01/05)**

References: **37.80.315-316, 37.80.502 ARM**

General Rule

The department expects that child care certification plans will be authorized accurately, however, if a household or provider receives any amount of child care assistance to which they were not entitled, they shall repay all child care assistance issued inappropriately, regardless of whether the applicant, the recipient, or the department caused the overpayment. **The CCR&R must perform an investigation when it appears an invoice was paid or an invoice was billed inaccurately.**

Indicators to Initiate an Investigation

CCR&R Eligibility specialists shall review a provider's sign-in/sign-out records when questions of accuracy arise. The following situations are indicative that a provider's records need to be reviewed:

- ☐ Parent/provider dispute;
- ☐ Employee Report;
- ☐ Block Billing - no deviation in attendance;
- ☐ Billing above the certification plan without explanation or parent request;
- ☐ Varied schedule that does not vary; or
- ☐ Billing 5.5 or 5.75 hours per day, when the child is certified for full time care.

Steps to Complete an Investigation

If the attendance reported on the invoices appears to be inaccurate, the CCR&R must:

1. Request sign-in/sign-out records for the child or children in question.
2. Review attendance on a child-by-child basis. Compare hours billed to hours attended. Also compare hours attended to hours authorized. The CCR&R shall start a spreadsheet and/or binder/file to keep all of the documents in. A example is located on pg 4 of this section.
3. If the attendance reported on the sign-in/sign-out records is not

Montana Department of
Public Health & Human Services

Section:

Serving the Family

CHILD CARE

Subject:

Auditing & Investigations

accurate, 10% of the provider's Best Beginnings scholarship cases shall be reviewed for one month. Establish a 10% review sample.

4. If a pattern of inaccurate billing exists, review the entire roster of Best Beginnings Scholarship children at the facility to establish an initial over-payment amount.
5. Share findings with provider:
 - a. Make copies of all findings for provider to review;
 - b. Allow 30 days for the provider to review documents;
 - c. When a 30-day time frame doesn't work for the provider, the CCR&R may negotiate on a case-by-case basis, an amicable time frame for the provider to review findings; and
 - d. Set an appointment to meet with the provider in person about the situation.
6. Make any adjustments that are necessary based on additional or corrected information submitted by the provider.
7. Set up overpayment as outlined in Section 6-9.

**Providers must
Receive an
Opportunity to
Correct
Inaccuracies**

An investigation means the entire review of records for one provider during the time period the CCR&R has chosen to examine.

If a problem of inaccurate billing is identified, the CCR&R should immediately begin providing technical assistance to the provider in order to stop continuous errors from occurring.

The CCR&R must allow the provider an opportunity to correct inaccuracies and provide technical assistance to the provider before initiating a subsequent investigation of corrective action. Technical assistance should include the correct method of completing whatever the investigation is in reference to. Technical assistance may include the some or all of the following:

- ☐ Training the provider on keeping accurate sign-in/sign-out records;
- ☐ Training the provider to bill for approved activities in which the family is eligible;
- ☐ Training the provider to bill on a quarter hour basis; and
- ☐ Explaining to the provider what a willful action is and the penalties

If new information is obtained by the CCR&R while the provider is in the process of an investigation, this information must be included in the original investigation. A new investigation must not begin until the original investigation is completed and the CCR&R has provided the appropriate technical assistance.

An investigation may result in reviewing several months of invoices and several scholarship families. If the CCR&R is completing an investigation of a provider, the CCR&R must complete the entire process before issuing any results, whether these results are determined to be an overpayment, over claim, or underpayment.

At each recertification, the CCR&R Eligibility specialist shall compare the previous month's invoices to the Explanation of Benefits, to the parent's wage stubs, work schedules, school schedules, etc. to ensure billing accuracy.

CCR&Rs shall audit 100% of a provider's Internet invoices for the first three months.

After monitoring a provider's initial online invoice, CCR&Rs shall audit 20% of Internet invoices submitted each month in their district.

CCR&Rs shall request sign-in/sign-out records from providers and look for inaccuracies, such as, but not limited to, the following:

- ☐ Block Billing - no deviation in attendance;
- ☐ Billing above the certification plan; and
- ☐ Varied schedule that does not vary.

Once a billing error is identified, the CCR&R Eligibility specialist shall research and pursue the entire correction.

